

Washington, DC— Today the U.S. House of Representatives is expected to pass a comprehensive housing measure that could assist homeowners facing foreclosure and help strengthen the U.S. housing market. The measure, championed by Congresswoman Moore, contains key provisions intended to boost financial confidence in the U.S. housing market by shoring up mortgage institutions Fannie Mae and Freddie Mac through the installation of a strong regulator.

“Fundamentally, the goal of this comprehensive plan is to help American homeowners and the nation’s housing market weather the most serious international economic crisis we have faced in nearly 20 years,” said Rep. Moore. “The measures that we have already passed have been necessary but not sufficient. This housing bill is the next critical step in our efforts to address the crisis facing our communities.”

If passed, the American Housing Rescue and Foreclosure Prevention Act of 2008 would first and foremost help struggling homeowners, like so many in Milwaukee, who are now facing foreclosure or significant mortgage rate increases. The bill would allow the Federal Housing Administration (FHA) to assist homeowners facing foreclosure by helping them get out from under exotic mortgages and instead refinance into sustainable fixed loans. With nearly 1 in every 368 homes in foreclosure in Milwaukee, this bill could have a significant impact on Rep. Moore’s district, which has the highest number of foreclosures in the state of Wisconsin. Furthermore, the bill will strengthen the FHA’s traditional role as a lender of first resort for working families and first time homebuyers.

Another key provision of the measure, originally opposed by President Bush, will provide \$3.9 billion in aid to communities hit hard by a housing crisis that has produced over 1.5 million foreclosures. The provision is aimed at stabilizing urban neighborhoods drastically affected by the mortgage crisis. Many communities could receive aid to allow them to purchase vacant and foreclosed properties, a problem that has directly affected many of Milwaukee’s neighborhoods.

Also, in addition to creating a new strong regulator for Fannie Mae and Freddie Mac, one of the key goals of this legislation is to ensure that these key housing finance institutions have the resources necessary to continue their vital role in America’s housing finance system. The bill would also create a much-needed affordable housing trust fund to address decades of under-investment in the supply of housing for lower income families.

“Besides providing much-needed confidence to the US housing market by strengthening the

GSE's, this bill offers a vital lifeline to many homeowners in our communities in desperate straits facing foreclosure or mortgage rate increases, " said Moore. "In addition, while the legislation provides the tools necessary to our local governments to address the blight of widespread foreclosure, it also gives working and low-income families access to affordable and sustainable housing."

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